



5929 Balcones Drive, Suite 200
Austin, TX 78731-4280
Phone: 512.343.2544
Fax: 512.343.0119

REDACTED – FOR PUBLIC INSPECTION

VIA ECFS

October 14, 2013

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

RE: Annual Report for Conneaut Telephone Company Pursuant to 47 C.F.R. §54.313 and 54.422, WC Docket Nos. 10-90 and 11-42

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§ 54.313 and 54.422 Conneaut Telephone Company (the Company), Study Area Code 300606 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS). Section 3005 of the Form 481 requires a privately-held rate of return carrier receiving high cost support to attach financial information pursuant to 47 C.F.R. § 54.313(f)(2). The Company maintains that the financial information is confidential and is submitting through ECFS a redacted document as an attachment for section 3005 of the FCC Form 481 in WC Docket Nos. 10-90 and 11-42.

Conneaut Telephone Company, by its authorized representative, hereby submits confidential information pursuant to 47 C.F.R. § 54.313(f)(2), under seal, subject to the Protective Order adopted November 16, 2012 in the above-named dockets.¹ The Company is providing to the Office of the Secretary the original and one copy of the cover letter and confidential information for WC Docket No. 10-90. The confidential information relates only to WC Docket No. 10-90. There is no claim of confidentiality for any information related to WC Docket No. 11-42.

Two copies of this cover letter and confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, in accordance with the Protective Order.

¹ FCC Record DA 12-1857

Marlene H. Dortch
October 14, 2013
Page 2 of 2

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as an attachment to the FCC Form 481.

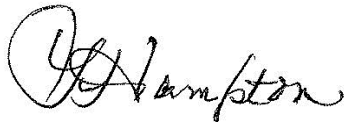
Each page of the confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

An original and three copies of the redacted confidential information and cover letter are also being filed simultaneously with the non-redacted confidential information, in accordance with the August 6, 2013 Public Notice (DA 13-1707). The original and one copy are provided for WC Docket No. 10-90 and two additional copies are provided for WC Docket No. 11-42. The redacted version of the cover letter for this filing and each page of the filing is marked "REDACTED - FOR PUBLIC INSPECTION."

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,



Lynette Hampton
Authorized Representative for
Conneaut Telephone Company

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau,
Federal Communications Commission (2 hardcopies of non-redacted submission)

Mr. Ken Johnson, Conneaut Telephone Company

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	300606
<015> Study Area Name	CONNEAUT TEL CO
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	Kenneth E. Johnson
<035> Contact Telephone Number: Number of the person identified in data line <030>	440-593-7151
<039> Contact Email Address: Email of the person identified in data line <030>	kjohnson@suite224.net

ANNUAL REPORTING FOR ALL CARRIERS			54.313 Completion Required	54.422 Completion Required
(check box when complete)				
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report				
<300> Unfulfilled Service Requests (voice)	<input type="text" value="0"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	<input type="text" value="0.5"/>			
<420> Mobile				
<430> Number of Complaints per 1,000 customers (broadband)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<440> Fixed				
<450> Mobile				
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> <input type="text" value="300606oh510"/>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<610> <input type="text" value="300606oh610"/>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1010> <input type="text" value=""/>	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	300606
<015>	Study Area Name	CONNEAUT TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
<035>	Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5	
<111>	year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets
 <114> Report how much universal service (USF) support was received
 <115> How (USF) was used to improve service quality
 <116> How (USF) was used to improve service coverage
 <117> How (USF) was used to improve service capacity
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	300606
<015>	Study Area Name	CONNEAUT TEL CO
<020>	Program Year	2014
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<035>	Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

[illegible]

<010>	Study Area Code	300606
<015>	Study Area Name	CONNEAUT TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
<035>	Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

<701>	Residential Local Service Charge Effective Date	1/1/2013
<702>	Single State-wide Residential Local Service Charge	

[illegible]

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	300606
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<015> Study Area Name	CONNEAUT TEL CO
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<020>	Program Year	2014
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<030>	Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
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<035> Contact Telephone Number - Number of person identified in data line <030> 440-593-7151

<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net
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[illegible]

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

[illegible]

(900) Tribal Lands Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	300606
<015>	Study Area Name	CONNEAUT TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
<035>	Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes,No, NA)

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	300606
<015>	Study Area Name	CONNEAUT TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
<035>	Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

<1120> Please check this box to confirm no terrestrial backhaul
options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers
broadband service of at least 1 Mbps downstream and 256 kbps
upstream within the supported area pursuant to § 54.313(G) ☐

(1200) Terms and Condition for Lifeline Customers		FCC Form 481
Lifeline		OMB Control No. 3060-0986/OMB Control No. 3060-0819
Data Collection Form		July 2013

<010>	Study Area Code	300606
<015>	Study Area Name	CONNCAUT TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
<035>	Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

<1210>	Terms & Conditions of Voice Telephony Lifeline Plans	300606oh1210
		Name of attached document (.pdf)

<1220>	Link to Public Website	HTTP
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"Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221>	Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,	<input checked="" type="checkbox"/>
<1222>	Details on the number of minutes provided as part of the plan,	<input checked="" type="checkbox"/>
<1223>	Additional charges for toll calls, and rates for each such plan.	<input checked="" type="checkbox"/>

(2000) Price Cap Carrier Additional Documentation

Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	300606
<015>	Study Area Name	CONNEAUT TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
<035>	Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)}
- <2011> 3rd Year Certification {47 CFR § 54.313(b)(2)}

Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

- <2012> 2013 Frozen Support Certification
- <2013> 2014 Frozen Support Certification
- <2014> 2015 Frozen Support Certification
- <2015> 2016 and future Frozen Support Certification

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

- <2016> Certification Support Used to Build Broadband

--

Connect America Phase II Reporting {47 CFR § 54.313(e)}

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached PDF , on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.
- <2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	300606
<015>	Study Area Name	CONNEAUT TEL CO
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
<035>	Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

Progress Report on 5 Year Plan

<p>(3010) Milestone Certification {47 CFR § 54.313(f)(1)(i)} Please check this box to confirm that the attached PDF, on line 3012, contains the required information pursuant to § 54.313 (f)(1)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.</p>	<p>Name of Attached Document Listing Required Information</p>	<input type="checkbox"/>
<p>(3012) Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)} (3013) Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)} (3014) If yes, does your company file the RUS annual report Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:</p>	<p>Name of Attached Document Listing Required Information</p>	<input checked="" type="checkbox"/> (Yes/No) <input type="checkbox"/> (Yes/No)
<p>(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)</p>		<input type="checkbox"/>
<p>(3016) PDF of Balance Sheet, Income Statement and Statement of Cash Flows</p>		<input type="checkbox"/>
<p>(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation</p>	<p>Name of Attached Document Listing Required Information</p>	
<p>(3018) If the response is no on line 3014, Is your company audited? If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:</p>		<input checked="" type="checkbox"/> (Yes/No)
<p>(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications</p>		<input checked="" type="checkbox"/>
<p>(3020) PDF of Balance Sheet, Income Statement and Statement of Cash Flows</p>		<input checked="" type="checkbox"/>
<p>(3021) Management letter issued by the independent certified public accountant that performed the company's financial audit. If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains: Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,</p>		<input checked="" type="checkbox"/>
<p>(3022) Underlying information subjected to a review by an independent certified public accountant</p>		<input type="checkbox"/>
<p>(3023) Underlying information subjected to an officer certification.</p>		<input type="checkbox"/>
<p>(3024) Underlying information subjected to an officer certification.</p>		<input type="checkbox"/>
<p>(3025) PDF of Balance Sheet, Income Statement and Statement of Cash Flows</p>		<input type="checkbox"/>
<p>(3026) Attach the worksheet listing required information</p>	<p>Name of Attached Document Listing Required Information</p>	<p>300606oh3026</p>

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	300606
<015> Study Area Name	CONNEAUT TEL CO
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
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<039> Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	300606
<015> Study Area Name	CONNEAUT TEL CO
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Kenneth E. Johnson
<035> Contact Telephone Number - Number of person identified in data line <030>	440-593-7151
<039> Contact Email Address - Email Address of person identified in data line <030>	kjohnson@suite224.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Lynette Hampton</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	Lynette Hampton
Name of Reporting Carrier:	CONNEAUT TEL CO
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 10/11/2013
Printed name of Authorized Officer:	Deanna Brown
Title or position of Authorized Officer:	CFO
Telephone number of Authorized Officer:	440-593-7138
Study Area Code of Reporting Carrier:	300606 Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	CONNEAUT TEL CO
Name of Authorized Agent or Employee of Agent:	Lynette Hampton
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 10/11/2013
Printed name of Authorized Agent or Employee of Agent:	Lynette Hampton
Title or position of Authorized Agent or Employee of Agent:	Authorized Representative
Telephone number of Authorized Agent or Employee of Agent:	512-343-2544
Study Area Code of Reporting Carrier:	300606 Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE

The Conneaut Telephone Company complies with applicable service quality standards and consumer protection rules as required by the state regulatory commission and the Federal Communications Commission.

The rates, terms, and conditions under which the Company operates are outlined in its Local Exchange Tariff, which is approved by the state commission. The Company's tariff contains provisions regarding its customer service and protection practices, including resolving disputes with the Company, applying for service, the classification of business and residential rates, deposits, billing and payment for service, refusal, disconnection and cancellation of service. The tariff is available for customer review in the Business Office, as requested. Rates and terms of service are disclosed to customers upon application for service both verbally and in writing as part of a packet of information for new customers. Rates, applications and certain terms of service are also available on the Company's website.

Service quality standards are established by the state commission and the Company consistently meets or exceeds the standards and provides reports to the state commission, in accordance with the state commission's rules.

The protection of customers' privacy and information is of utmost importance and the Company has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information (CPNI) rules (47 C.F.R. §§64.2001-64.2011). Certification of the Company's compliance with CPNI rules and a description of the Company's operating procedures that ensure compliance are filed at the FCC annually.

LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

The Conneaut Telephone Company is able to function in emergency situations. The Company has a reasonable amount of back-up power to ensure functionality without an external power source. Standby power generators are supplied at the central office, remote switch sites, and repeater sites to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The Company is able to reroute traffic around damaged facilities. Although the Company's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

LINE 1210 – TERMS & CONDITIONS OF VOICE TELEPHONY LIFELINE PLANS

Conneaut Telephone Company (the Company) offers Lifeline subscribers discounts to the monthly residential basic local exchange service rate. The local exchange service rate includes an unlimited amount of local calling minutes. Additional charges for toll calls associated with the stand-alone residential access line are billed at the rates of the long distance carrier chosen by the subscriber. Lifeline customers may subscribe to other packages and custom calling features at the standard rates offered to all customers. The Lifeline discount will apply to the portion of the package that is for basic local exchange service. The attached pages from the Company's tariff include the terms and conditions for Lifeline and the rates for local exchange service.

Conneaut Telephone Company
Conneaut, Ohio

Section No. 1
Fourth Revised Sheet No. 2
Replaces Third Revised Sheet No. 2

P.U.C.O. NO. 7

EXCHANGE RATES

The local calling area embraces all calls between stations bearing the designations of Conneaut, Kingsville and Pierpont.

The classification and rates provided in this section apply at any point within the Base Rate Area which is defined as all territory in the exchange lying north of Route Interstate 90.

	<u>Monthly Rate</u>	<u>Max. Rate</u>	<u>Anniversary Date</u>
Business – Primary Line	\$ 18.15 (I)	\$ 18.15 (I)	Aug. 1, 2012
Residence – Individual Line	\$13.05 (I)	\$ 13.05 (I)	Aug. 1, 2012
Payphone:			
Coin Operated Telephone Service Access Line.....	\$ 12.15		
Coin Supervision Additive.....	\$ 7.20		

The classifications and rates following apply at any point within Zone A which is defined as all territory in the exchange lying south of Route Interstate 90.

	<u>Monthly Rate</u>	<u>Max. Rate</u>	<u>Anniversary Date</u>
Business – Primary Line	\$ 21.15 (I)	\$ 21.15 (I)	Aug. 1, 2012
Residence – Individual Line	\$ 16.05 (I)	\$ 16.05 (I)	Aug. 1, 2012
Payphone:.....			
Coin Operated Telephone Service Access Line.....	\$ 15.15		
Coin Supervision Additive.....	\$ 7.20		

Issued: July 1, 2012

Effective: August 1, 2013

In Accordance with Case No. 90-5015-TP-TRF
Issued by the Public Utilities Commission of Ohio
Ken Johnson, General Manager
Conneaut, Ohio

Conneaut Telephone Company
Conneaut, Ohio

Section No. 5
Original Sheet No. 1

P.U.C.O. NO. 7

LIFELINE/LINK-UP REQUIREMENTS

A. GENERAL

1. Lifeline shall be a flat-rate, monthly, primary access line service with touch-tone service **or** the Company may offer any other packages/bundles of service, if available to customers, less the lifeline discount and shall provide all of the following:
 - a. A recurring discount to the monthly basic local exchange service rate that provides for the maximum contribution of federally available assistance;
 - b. Not more than once per customer at a single address in a twelve-month period, a waiver of all nonrecurring service order charges for establishing service;
 - c. Free blocking of toll service, 900 service and 976 service;
 - d. A waiver of the federal universal service fund end user charge; and
 - e. A waiver of the telephone company's service deposit requirement.

B. REGULATIONS

1. Lifeline Assistance is available to residential customers who are currently participating in one of the following federal or state low-income assistance programs that limit assistance based on household income:
 - a. Medical Assistance under Chapter 5111 of the Ohio Revised Code (Medicaid) or any state program that might supplant Medicaid;
 - b. Supplemental Nutritional Assistance Program (SNAP/Food Stamps);
 - c. Supplemental Security Income (SSI) under Title XVI of the Social Security Act;
 - d. Supplemental Security Insurance – blind and disabled (SSD)
 - e. Federal public housing assistance, or Section 8;
 - f. Home Energy Assistance Programs (HEAP, LIHEAP, E-HEAP);
 - g. National School Lunch Program's Free Lunch Program (NSL);
 - h. Temporary Assistance for Needy Families (TANF/Ohio Works); or
 - i. General Assistance (including disability assistance (DA))

Issued: May 12, 2011

Effective: May 12, 2011

In Accordance with Case No. 10-1010-TP-ORD and 11-2939-TP-ATA

Issued by the Public Utilities Commission of Ohio

Ken Johnson, General Manager

Conneaut, Ohio

Conneaut Telephone Company
Conneaut, Ohio

Section No. 5
Original Sheet No. 2

P.U.C.O. NO. 7

LIFELINE/LINK-UP REQUIREMENTS (Continued)

B. REGULATIONS (Continued)

2. Lifeline Assistance is available to residential customers whose total household income is at or below one-hundred fifty percent (150%) of the federal poverty level.
3. The Telephone Company shall require, as proof of eligibility for Lifeline Assistance, a document signed by the customer, certifying under penalty of perjury that the customer is receiving benefits from one of the programs identified in Section B.1 above; identify the specific program or programs from which the customer receives benefits and agree to notify the carrier if the customer ceases to participate in such program or programs. If a customer is applying for Lifeline based on income, see Section B.5.a-g for examples of income documentation.
4. The Telephone Company must verify Lifeline service eligibility for customers who qualify through household income-based requirements consistent with the FCC requirements in 47 C.F.R. 54.
5. Consistent with federal law, examples of acceptable income documentation includes the following:
 - a. State or federal income tax return;
 - b. Current income statement or W-2 from an employer;
 - c. Three consecutive months of current pay stubs;
 - d. Social security statement of benefits;
 - e. Retirement/Pension statement of benefits;
 - f. Unemployment/Workmen's Compensation statement of benefits;
 - g. Any other legal document that would show current income (such as a divorce decree or child support document).
6. Customers qualifying for Lifeline with past due bills for regulated local service charges shall be offered special payment arrangements with the initial payment not to exceed \$25.00 before service is installed, with the balance for regulated local charges to be paid over six equal monthly payments. Lifeline service customers with past due bills for toll service charges shall have toll restricted service until such past due toll service charges have been paid or until the customer establishes service with a subsequent toll provider.
7. All other aspects of the state-specific lifeline service shall be consistent with the federal requirements. The rates, terms, and conditions for lifeline service shall be tariffed in accordance with Rule 4901:1-6-11.

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Ken Johnson, General Manager

Conneaut, Ohio

Conneaut Telephone Company
Conneaut, Ohio

Section No. 5
Original Sheet No. 3

P.U.C.O. NO. 7

LIFELINE/LINK-UP REQUIREMENTS (Continued)

B. REGULATIONS (Continued)

8. The Telephone Company shall provide written notification to the customer applying for Lifeline service that is determined ineligible for Lifeline service and shall provide an additional 30 days to prove eligibility.
9. The Telephone Company shall provide written customer notification if a customer's Lifeline service benefits are to be terminated due to failure to submit acceptable documentation for continued eligibility for that assistance. The lifeline customer shall have an additional sixty (60) days to submit acceptable documentation of continued eligibility or dispute the findings regarding termination of benefits.
10. The Telephone Company shall establish procedures to verify an individual's continuing Lifeline eligibility for both program and income based criteria consistent with the FCC's requirements in 47 C.F.R. 54.409-54.410.

C. ENROLLMENT PROCESS

1. Existing Customers

- a. Customers with dial tone wanting to establish lifeline service should complete and submit a Company lifeline application, and provide documentation if applicable, within 15 business days of requesting the discount.
- b. The Company will review the customer's lifeline application to determine customer's eligibility within 15 days.
- c. If the customer is eligible for the lifeline discount, the Company will credit the customer's bill retroactive to the date of customer's request for lifeline service.
- d. If the customer does not return the application with the appropriate documentation, if required, within 15 business days, the customer will need to re-apply for lifeline discounts. Should the Company determine that a customer does not qualify for lifeline assistance or if the customer submits incomplete documentation, the Company will provide written notification to the customer and give the customer an additional 30 days to prove eligibility. If after that additional 30 days the customer has failed to prove eligibility or provide the necessary documentation, the customer must re-apply for the lifeline discounts.

2. New Customers

- a. Customers applying for new service and requesting to establish lifeline service should complete and submit a Company lifeline application, and provide documentation if applicable, within 15 business days of requesting the discount. The Company will process the lifeline application without delaying the installation of new service.
- b. The Company will review the customer's lifeline application to determine the customer's eligibility within 15 days.

Issued: May 12, 2011

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In Accordance with Case No. 10-1010-TP-ORD and 11-2939-TP-ATA

Issued by the Public Utilities Commission of Ohio

Ken Johnson, General Manager

Conneaut, Ohio

Conneaut Telephone Company
Conneaut, Ohio

Section No. 5
Original Sheet No. 4

P.U.C.O. NO. 7

LIFELINE/LINK-UP REQUIREMENTS (Continued)

C. ENROLLMENT PROCESS (Continued)

2. New Customers (Continued)

- c. If the customer is eligible for the lifeline discount, the Company will credit the customer's bill for installation charges and the monthly discount retroactive to the date the customer's service is established.
- d. If the customer does not return the application with the appropriate documentation, if required, within 15 business days, the customer will need to re-apply for lifeline discounts. Should the Company determine that a customer does not qualify for lifeline assistance or if the customer submits incomplete documentation, the Company will provide written notification to the customer and give the customer an additional 30 days to prove eligibility. If after that additional 30 days the customer has failed to prove eligibility or provide the necessary documentation, the customer must re-apply for the lifeline discounts.

D. INCOME ELIGIBILITY

- 1. The Telephone Company must verify through acceptable documentation that a customer qualifies for Lifeline Assistance. Such verification must be performed within 60 days of a customer's service establishment. Examples of income documentation are identified in Section B.5.a-g.
- 2. Regardless of when the Company completes the verification process Lifeline benefits shall go back to the date the qualified customer established lifeline.
- 3. The Telephone Company shall provide written notification to customers that do not qualify for Lifeline Assistance. The notice shall give the customer an additional 30-day opportunity to prove eligibility or dispute the company's determination.
- 4. Written notification must include: 1) the earliest date termination of lifeline benefits will occur if the customer has been receiving the benefits or the last date the customer has to provide documentation to prove eligibility to receive the benefits; 2) the reason(s) for termination of lifeline benefits and any actions which the customer must take to demonstrate continued eligibility; 3) contact information for the Telephone Company; and 4) a statement explaining who customers may contact in the event of a dispute.
- 5. If a customer disagrees with a company's findings regarding eligibility for Lifeline Assistance, the customer may file an informal/formal complaint with the Public Utilities Commission of Ohio.

Issued: May 12, 2011

Effective: May 12, 2011

In Accordance with Case No. 10-1010-TP-ORD and 11-2939-TP-ATA

Issued by the Public Utilities Commission of Ohio

Ken Johnson, General Manager

Conneaut, Ohio

Conneaut Telephone Company
Conneaut, Ohio

Section No. 5
Original Sheet No. 5

P.U.C.O. NO. 7

LIFELINE/LINK-UP REQUIREMENTS (Continued)

E. VERIFICATION FOR CONTINUED ELIGIBILITY

1. The Telephone Company must notify customers at least 60 days prior to the company's pending termination of the customer's Lifeline Assistance if the customer fails to submit acceptable documentation for continued eligibility for benefits. Such notice will be separate from the bill and will include: 1) the earliest date termination of lifeline benefits would occur; 2) the reason(s) for termination of lifeline benefits and any actions which the customer must take to demonstrate continued eligibility; 3) contact information for the telephone company and 4) a statement explaining who the customer should contact in the event of a dispute.
2. Should a customer fail to submit proper documentation within the 60 day period, the Telephone Company will terminate the customer's lifeline benefits and require the customer to re-apply.

Issued: May 12, 2011

Effective: May 12, 2011

In Accordance with Case No. 10-1010-TP-ORD and 11-2939-TP-ATA

Issued by the Public Utilities Commission of Ohio

Ken Johnson, General Manager

Conneaut, Ohio

THE CONNEAUT TELEPHONE COMPANY
and Wholly Owned Subsidiary

FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION

Years Ended December 31, 2012 and 2011

Demarchi & Associates

Certified Public Accountants

925 Euclid Avenue - Suite 636

Cleveland, Ohio 44115-1405

Phone (216) 241-6975

Fax (216) 241-6978

Independent Auditors' Report

Board of Directors
The Conneaut Telephone Company
Conneaut, Ohio

We have audited the accompanying consolidated balance sheets of THE CONNEAUT TELEPHONE COMPANY and its wholly owned subsidiary, Cable Suite 541, Inc., as of December 31, 2012, and 2011, and the related consolidated statements of income, retained earnings, and cash flows and accompanying schedules, for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We did not audit the financial statements of the Ohio RSA 3 limited partnership, in which the Company owns a minority interest. The Company's investment in this partnership, on the equity basis, reflects total assets of \$[REDACTED] at December 31, 2012 (\$[REDACTED] for 2011), and income of \$[REDACTED] for 2012 (\$[REDACTED] for 2011). The financial statements of this partnership were audited by other auditors whose reports have been furnished to us. Our opinion, insofar as it relates to the amounts included for the partnership investment at December 31, 2012 and the income for the year then ended, is based solely on the reports of the other auditors.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the 2012 and 2011 consolidated financial statements, referred to above present fairly, in all material respects, the financial position of THE CONNEAUT TELEPHONE COMPANY and its wholly owned subsidiary as of December 31, 2012 and 2011, and the results of their operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as whole. The supplemental information presented on pages 24 through 33 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as whole.

June 19, 2013

Demachi & Associates

REDACTED - FOR PUBLIC INSPECTION
BALANCE SHEETS

THE CONNEAUT TELEPHONE COMPANY
and Wholly Owned Subsidiary

December 31, 2012 and 2011

ASSETS

	2012	2011
<u>Current Assets:</u>		
Cash on Hand		
Cash in Bank		
Subtotal		
Accounts Receivable - Telecommunications		
(Less allowance of \$ [REDACTED] and \$ [REDACTED])		
Accounts Receivable - Other		
Materials and Supplies Inventory		
Prepaid Expenses		
Unamortized Refinancing Cost (Note 2B)		
Total Current Assets		
<u>Non-Current Assets:</u>		
Deferred Tax Regulatory Assets (Notes 2 A and 7 A 1)		
Unamortized Refinancing Cost (Note 2B)		
Total Non-Current Assets		
<u>Other Assets:</u>		
Investment in Cellular Limited Partnership (Note 3B)		
Investment in Rural Tel. Finance Corp. Certificate (Note 15)		
Total Other Assets		
<u>Plant, Property, and Equipment:</u>		
Plant in Service (Note 4)		
Less: Accumulated Depreciation and Amortization		
Net Plant in Service		
Add: Plant Under Construction		
Non-Operating Plant		
Net Plant, Property, & Equipment		
 TOTAL		

The accompanying notes are an integral part of these financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY

	2012	2011
<u>Current Liabilities:</u>		
Current Portion - Long Term Debt - RTFC (Note 15)		
- Line of Credit - RTFC (Note 16)		
- Capital Lease and Vehicle Loans (Note 14)		
Accounts Payable		
Advance Billings and Payments		
Accrued Taxes - Other		
Accrued Pension Contribution		
Accrued Dividends on Preferred Stock (Note 9)		
Other Accrued Expenses		
Total Current Liabilities		
<u>Long Term Debt</u> - Rural Telephone Finance Corp. (Note 15)		
- Capital Lease and Vehicle Loans (Note 14)		
Total Long Term Debt		
<u>Other Liabilities and Deferred Credits:</u>		
Unfunded Accrued Pension Cost (Note 5)		
Unfunded Accrued Other Postretirement Benefits (Note 6)		
Deferred Tax Liability (Note 7 A 2 a)		
Deferred Tax Regulatory Liability (Note 7 A 2 b)		
Deferred Tax Regulatory Adjustment Account (Note 7 A 2 c)		
Total Other Liabilities and Deferred Credits		
Total Liabilities		
<u>Stockholders' Equity:</u>		
Preferred Stock-Authorized [REDACTED] Shares @ \$[REDACTED] Par Value;		
Issued and Outstanding, [REDACTED] shares @ \$[REDACTED] Par Value		
Common Stock-Authorized [REDACTED] Shares @ No Par Value;		
Issued and Outstanding, [REDACTED] Shares @ \$[REDACTED] Stated Value		
Less - [REDACTED] Shares Treasury Stock at Cost (Note 12)		
Common Stock Outstanding ([REDACTED] Shares)		
Additional Paid-In-Capital (on Common Stock)		
Retained Earnings (Page 4)		
Accumulated Other Comprehensive Income (Note 5)		
Total Stockholders' Equity		
 TOTAL		

STATEMENTS OF INCOME

THE CONNEAUT TELEPHONE COMPANY
and Wholly Owned Subsidiary

Years Ended December 31, 2012 and 2011

	2012	2011	Increase (Decrease)
<u>Operating Revenues</u> (Page 31)			
Local Network Services Revenue			
Network Access Services Revenue			
Long Distance Network Services Revenue			
Miscellaneous Revenue			
Less - Uncollectible Revenues			
Total Operating Revenues - Regulated			
<u>Operating Expenses</u> (Pages 32 and 33)			
Plant Specific Operations			
Plant Nonspecific Operations			
Customer Operations			
Corporate Operations			
Depreciation and Amortization			
Total Operating Expenses - Regulated			
<u>Operating Taxes</u>			
Federal Income Tax - Current Expense (Credit) (Note 7 B)			
- Deferred Expense (Note 7 B)			
Other Operating Taxes (Note 19)			
Total Operating Taxes - Regulated			
Operating Income (Loss) Before Interest - Regulated			
Less - Interest Expense on Long Term Debt			
<u>Operating Loss - Regulated</u>			
<u>Other Income (Expense) - Net</u> (Page 33)			
Loss from Regulated Operations			
<u>Nonregulated Income (Loss)</u>			
Net Income (Loss) - Cellular (Page 24)			
Net Income - Internet Operations (Page 25)			
Net Loss - Cable Suite 541 (page 27)			
Other Income & (Expenses) - Deregulated (Page 28)			
Total Nonregulated Net Income			
<u>NET LOSS</u>			

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF RETAINED EARNINGS

THE CONNEAUT TELEPHONE COMPANY
and Wholly Owned Subsidiary

Years Ended December 31, 2012 and 2011

	2012	2011
<u>BALANCE AT BEGINNING OF YEAR</u>		
Add: Prior Period Adjustment (Note 8)		
<u>ADJUSTED BALANCE AT BEGINNING OF YEAR</u>		
Less: Net Loss for the Period (Page 3)		
Subtotal		
Less: Dividends on Preferred Stock (Note 9)		
Dividends on Common Stock		
Total Dividends		
<u>BALANCE AT END OF YEAR - CONSOLIDATED</u>		
* * * * *		
<u>BOOK VALUE PER SHARE (NOTE 10)</u>		
<u>EARNINGS (LOSS) PER SHARE (NOTE 11)</u>		

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

THE CONNEAUT TELEPHONE COMPANY
and Wholly Owned Subsidiary

Years Ended December 31, 2012 and 2011

	2012	2011
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Cash Received from Customers, etc.		
Interest, Dividends and Capital Gains - net		
Interest Paid		
Cash Paid to Suppliers, Employees and Relative Expenses		
Taxes Paid		
Net Cash Provided by Operating Activities		
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Acquisition of Fixed Assets		
Distributions from Partnerships - Cellular		
- Bright Net		
Net Proceeds (Increase) from RTFC Certificate		
Net Cash Provided (Used) by Investing Activities		
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
Proceeds from New RTFC Refinanced Loan		
Payoff of former RTFC Term Loan		
Principal Payments - RTFC Term Loans		
- RTFC Line of Credit		
- Capital Lease & Vehicle Loans		
Payoff of Vehicles before Sale & Leaseback		
Proceeds from RTFC Line of Credit		
Dividend Payments		
Net Cash Used by Financing Activities		
<u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>		
Cash and Cash Equivalents at Beginning of Year		
<u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u>		

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (Cont'd)

THE CONNEAUT TELEPHONE COMPANY
and Wholly Owned Subsidiary

Years Ended December 31, 2012 and 2011

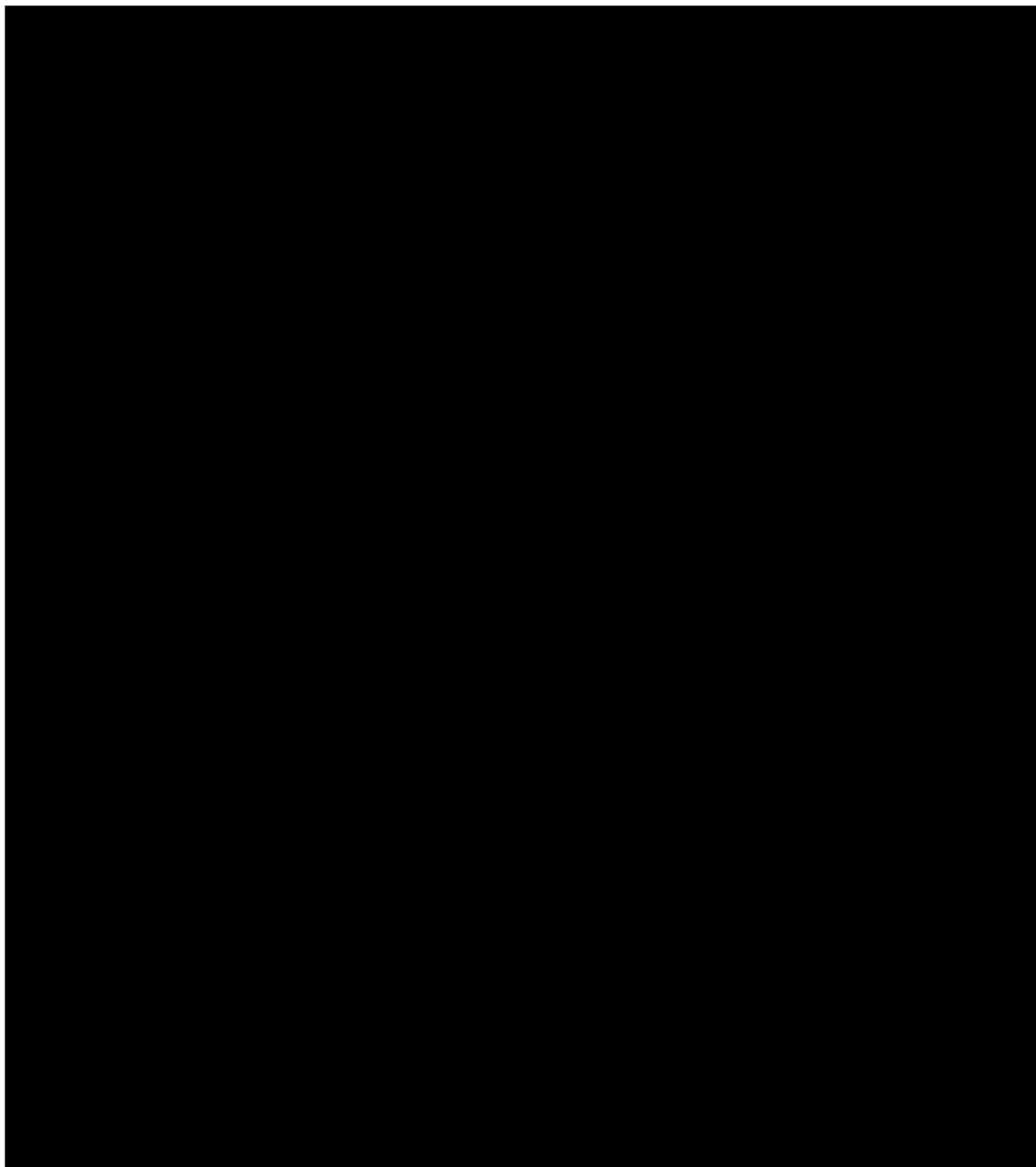
	2012	2011
<u>RECONCILIATION OF NET INCOME TO NET CASH</u>		
<u>PROVIDED BY OPERATING ACTIVITIES:</u>		
Net Income (Loss) (Page 3)		
Adjustments to Reconcile Net Income and Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization		
Non-Cash - Partnership (Income) Loss - Cellular		
Non-Cash - Loss on Vehicle Sale/leaseback		
Non-Cash - Treasury Stock Pension Contribution		
Decrease in Receivables		
(Increase) Decrease in Prepaid Items		
(Increase) in Unamortized Financing Costs		
Decrease in Materials & Supplies Inventory		
Increase (Decrease) in Deferred Tax Asset/Liability		
Increase (Decrease) in Accounts Payable		
Increase in Advance Billings		
Increase (Decrease) in Accrued Taxes		
Increase in Accrued Dividend Payable		
Increase (Decrease) in Accrued Pension Contribution-Net		
Increase (Decrease) in Other Accrued Expenses		
Pension Expense - Non Cash		
Increase (Decrease) in Accrued Retirement Health Benefits-Noncash		
Other Post Retirement Benefit Payments Made		
Other Comprehensive Income Non-Cash Adjustments		
Other Non-Cash Adjustments		
Total Adjustments		
<u>TOTAL CASH PROVIDED BY OPERATING ACTIVITIES</u>		

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

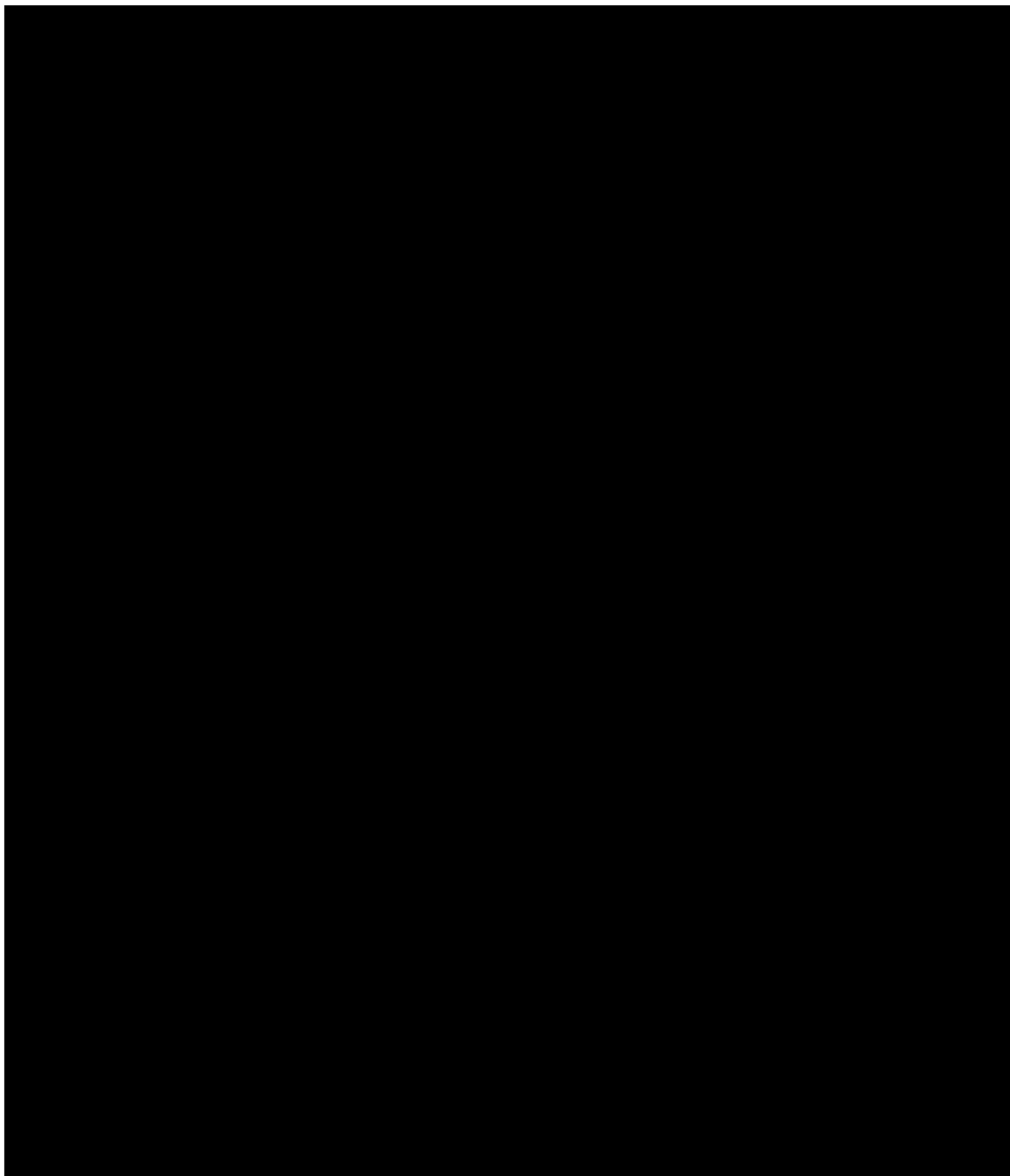


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

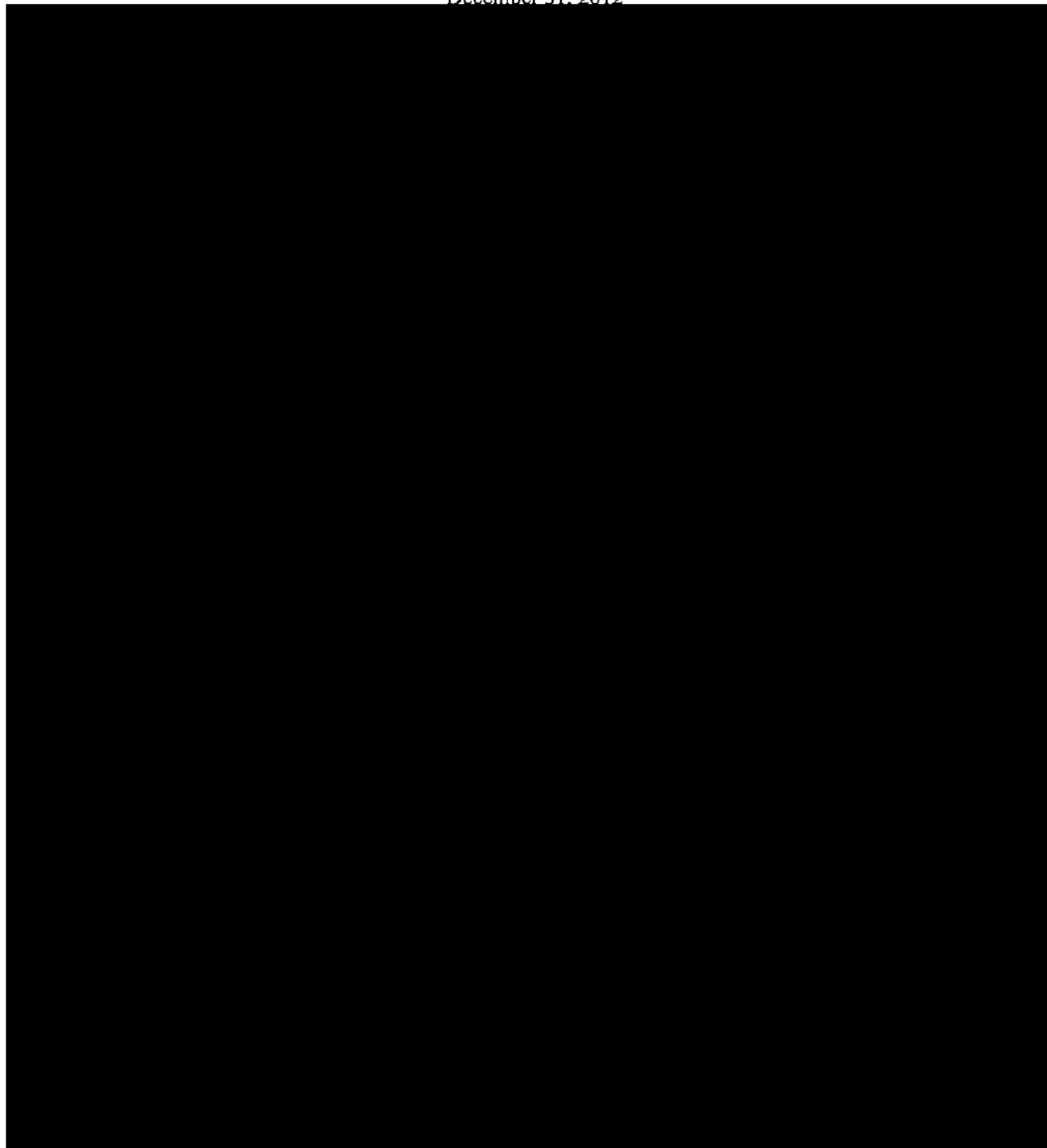


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

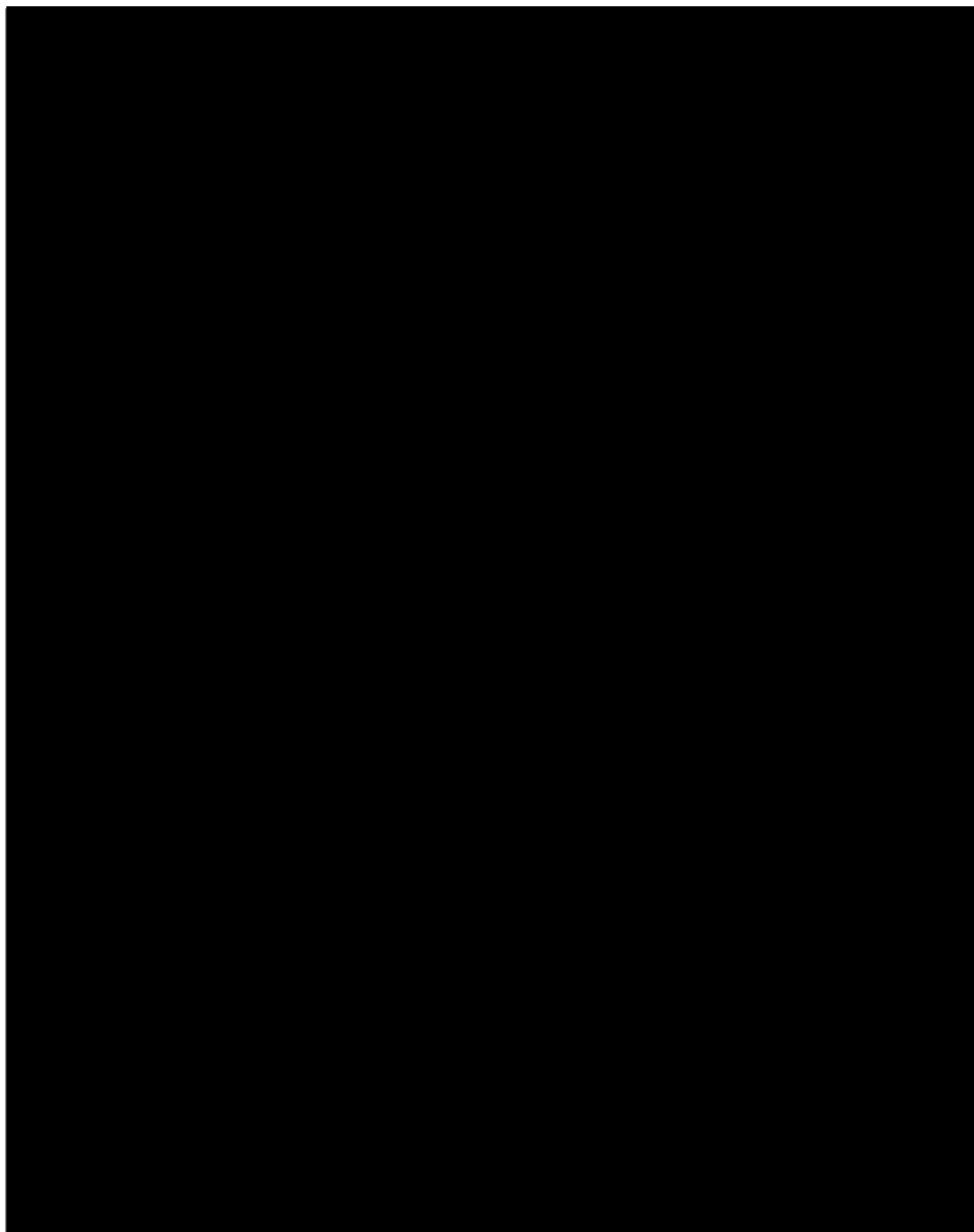


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

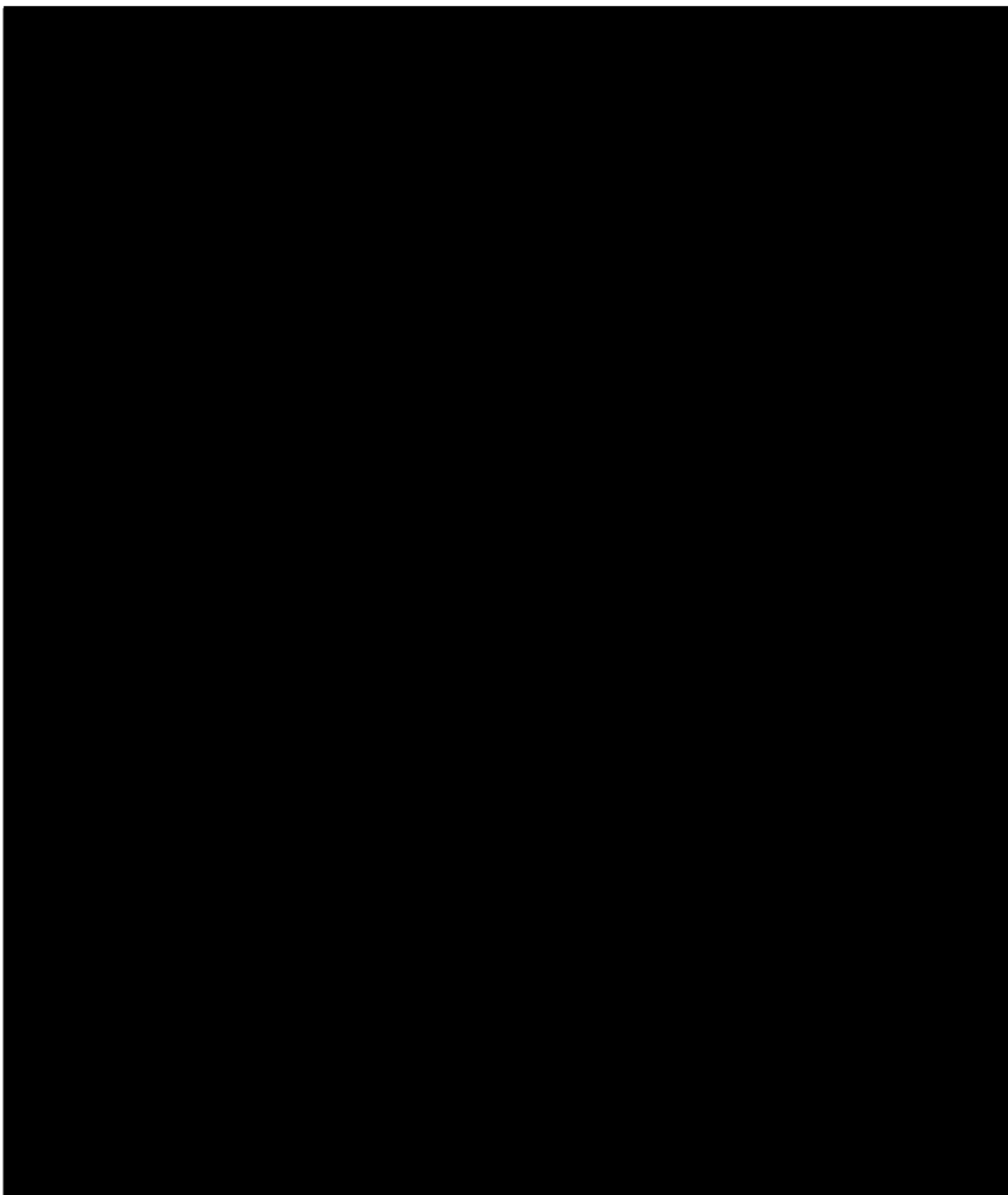


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

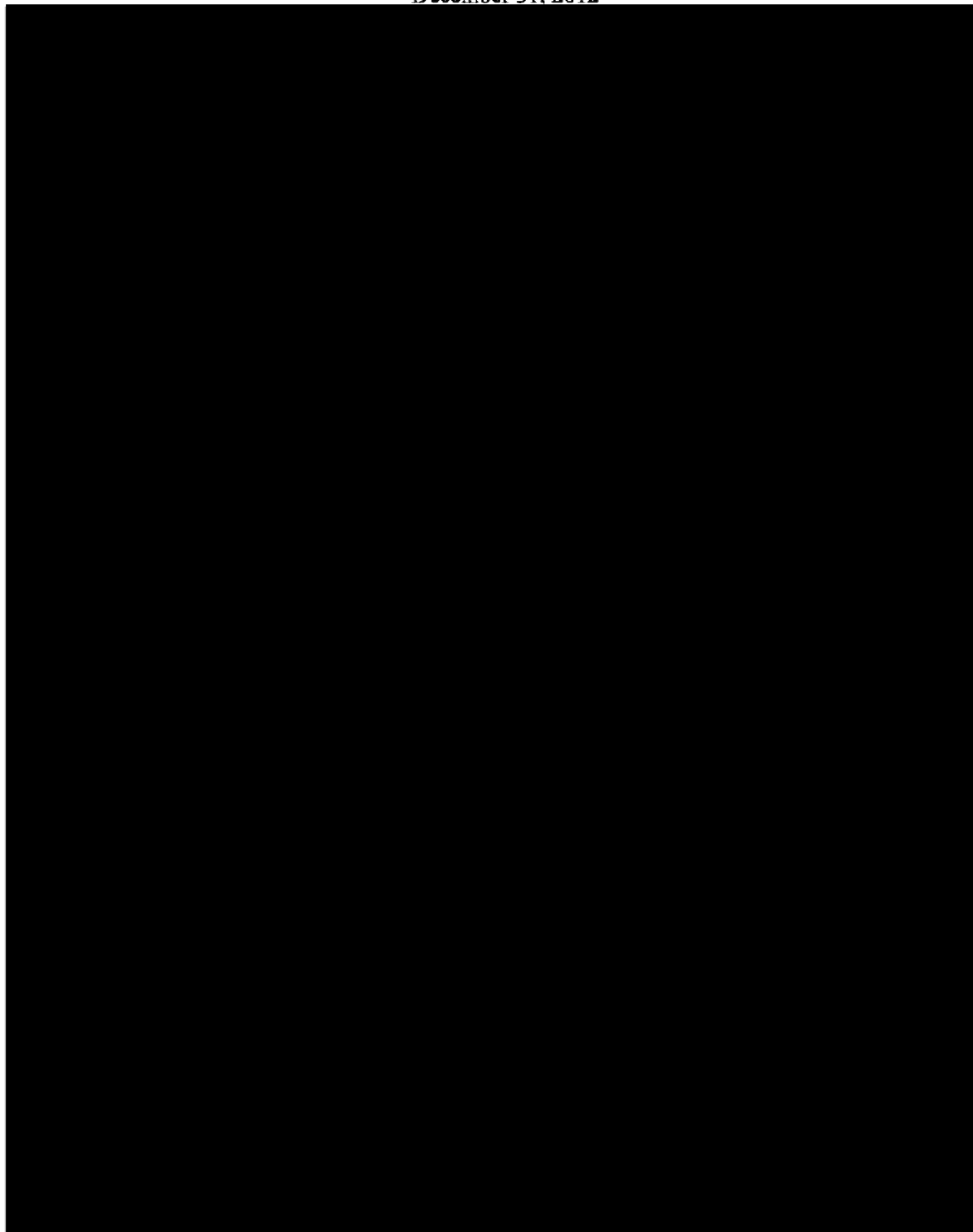


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

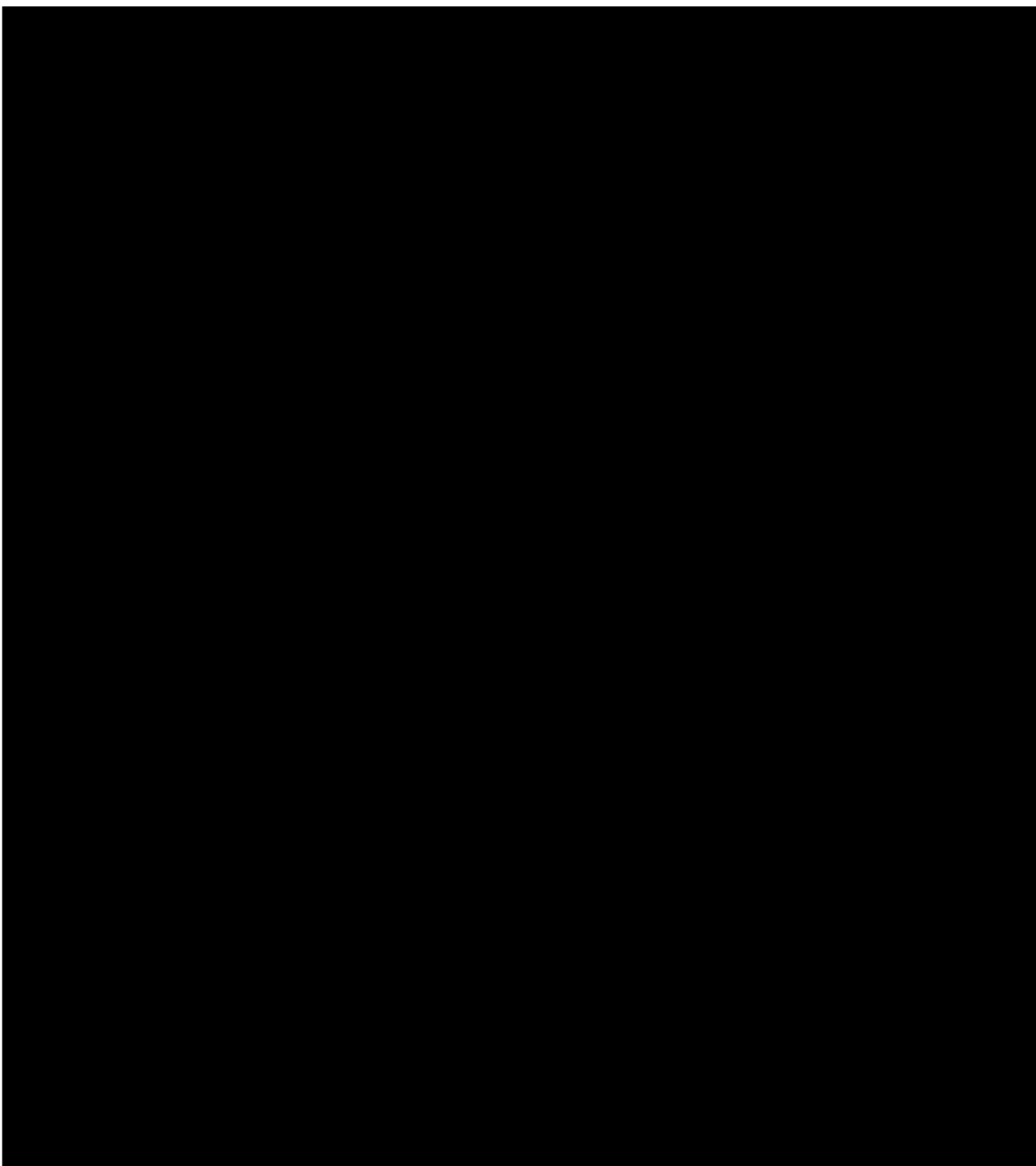


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

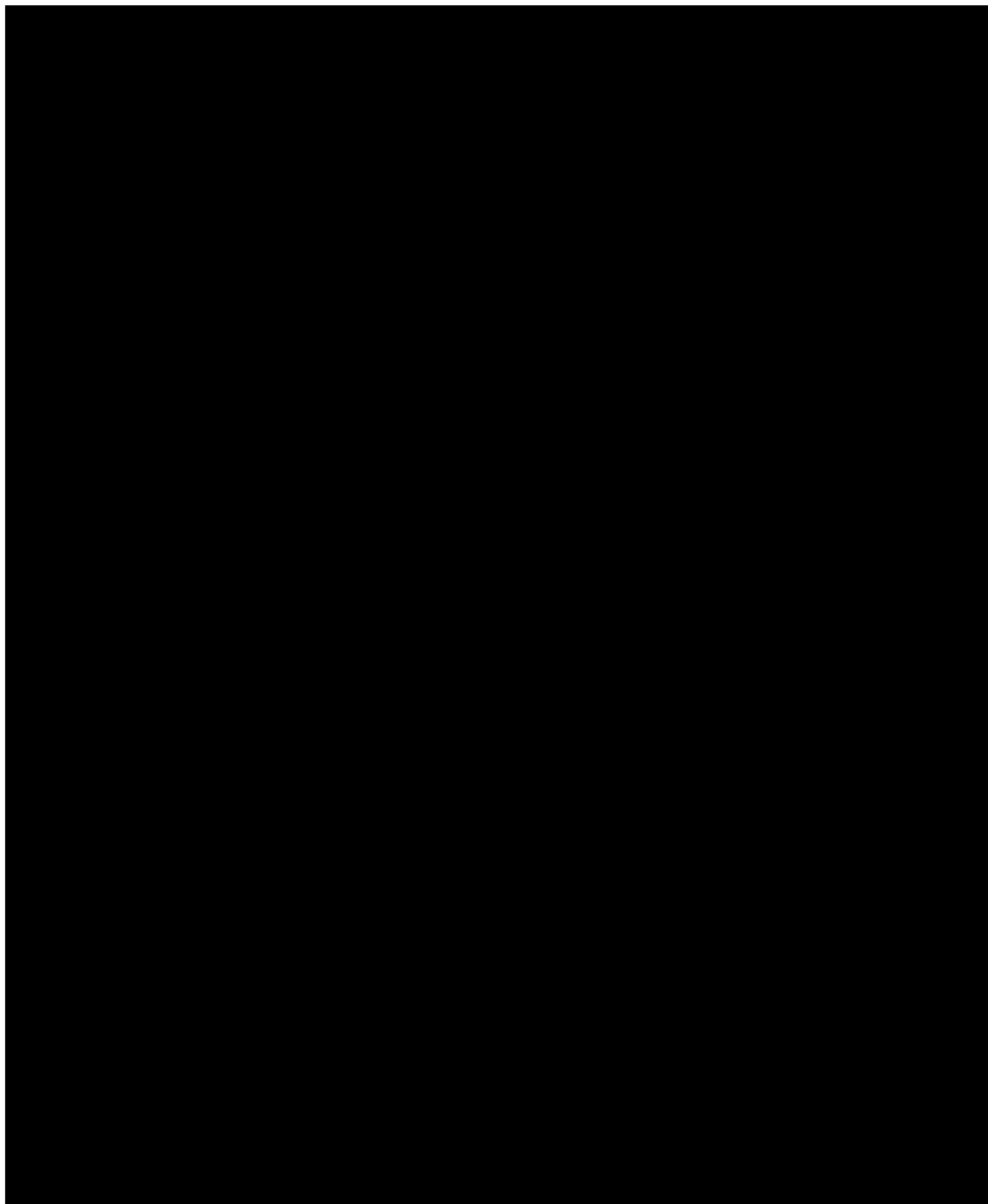


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

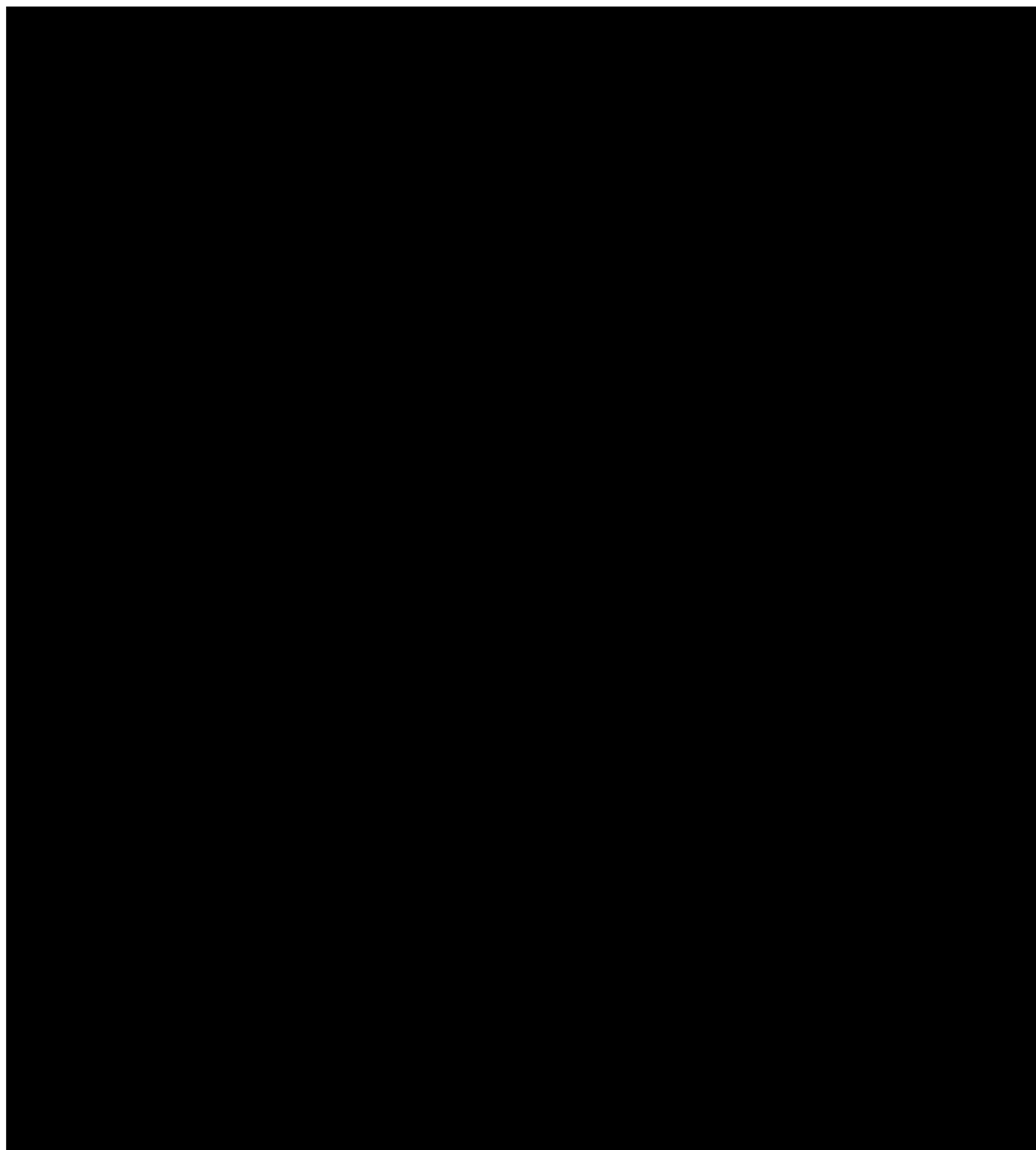


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

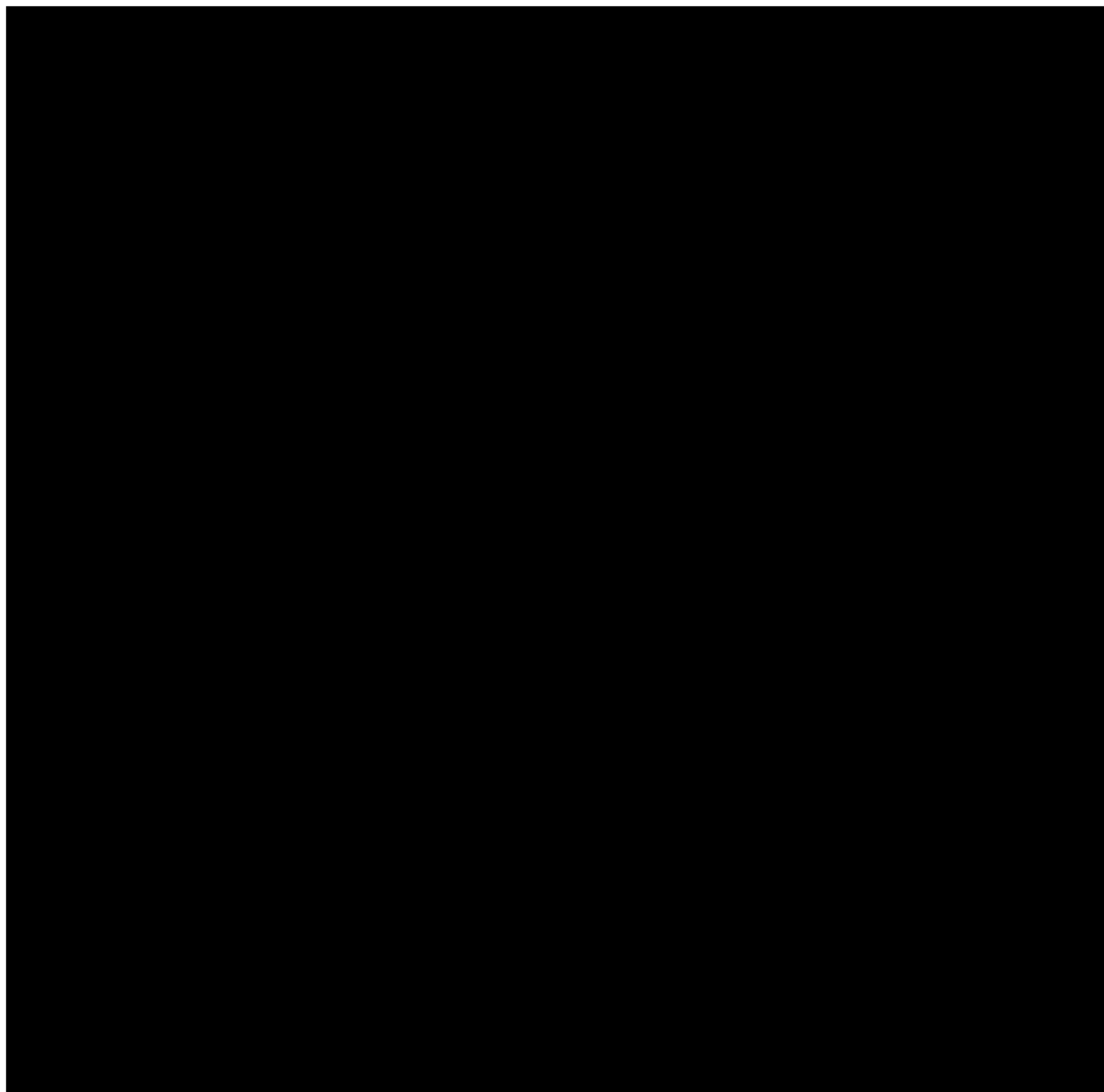


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

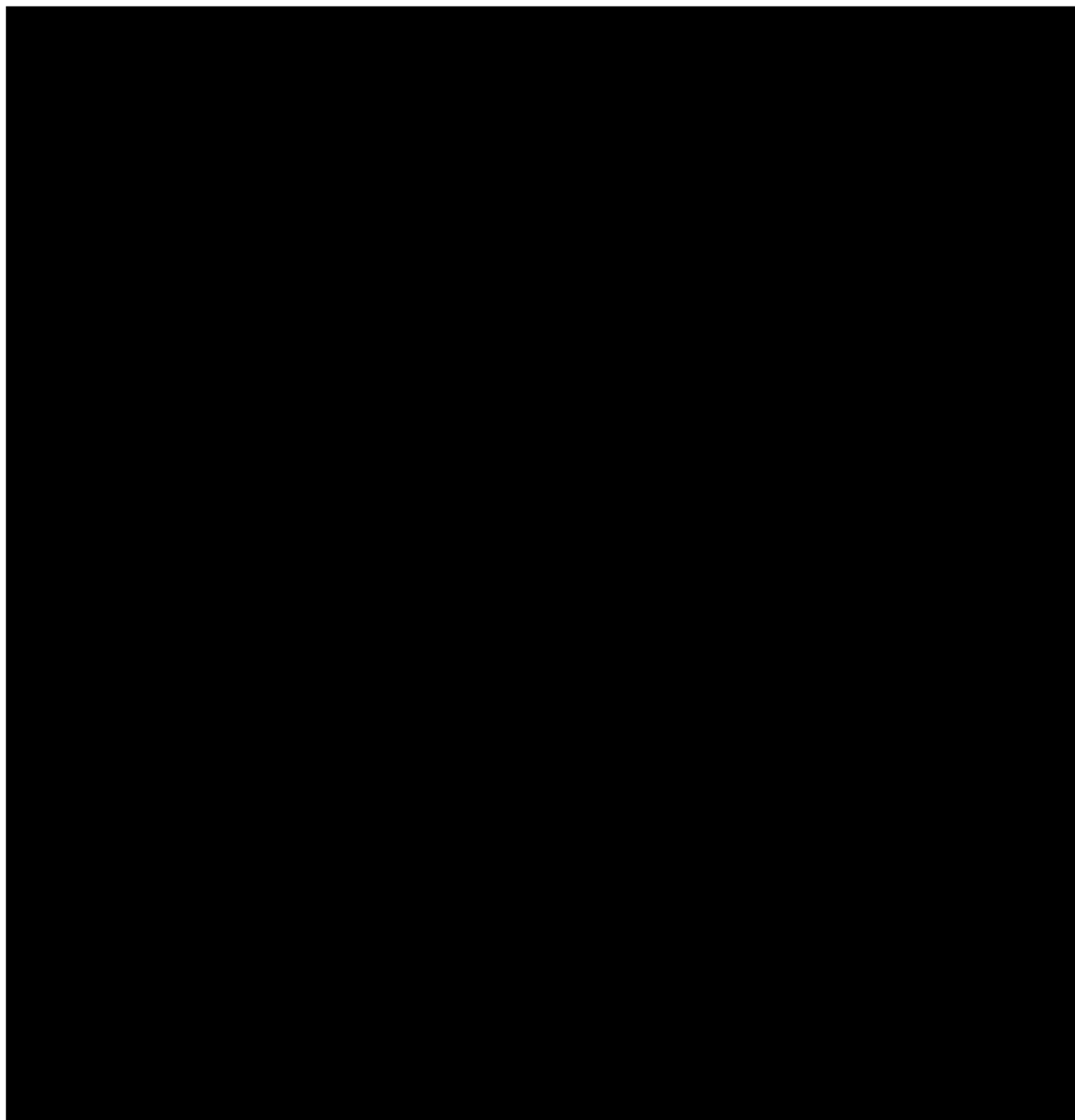


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

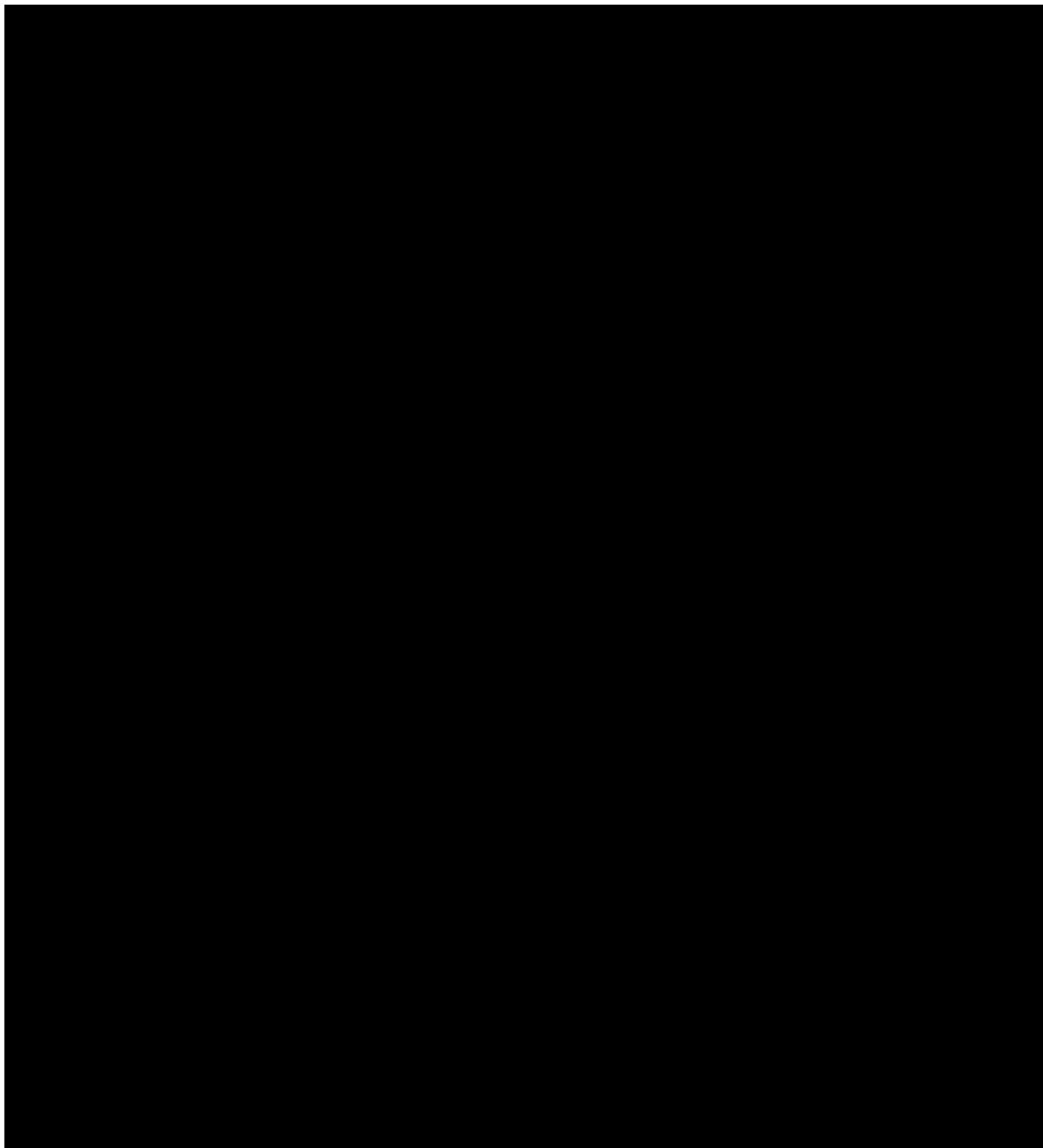


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

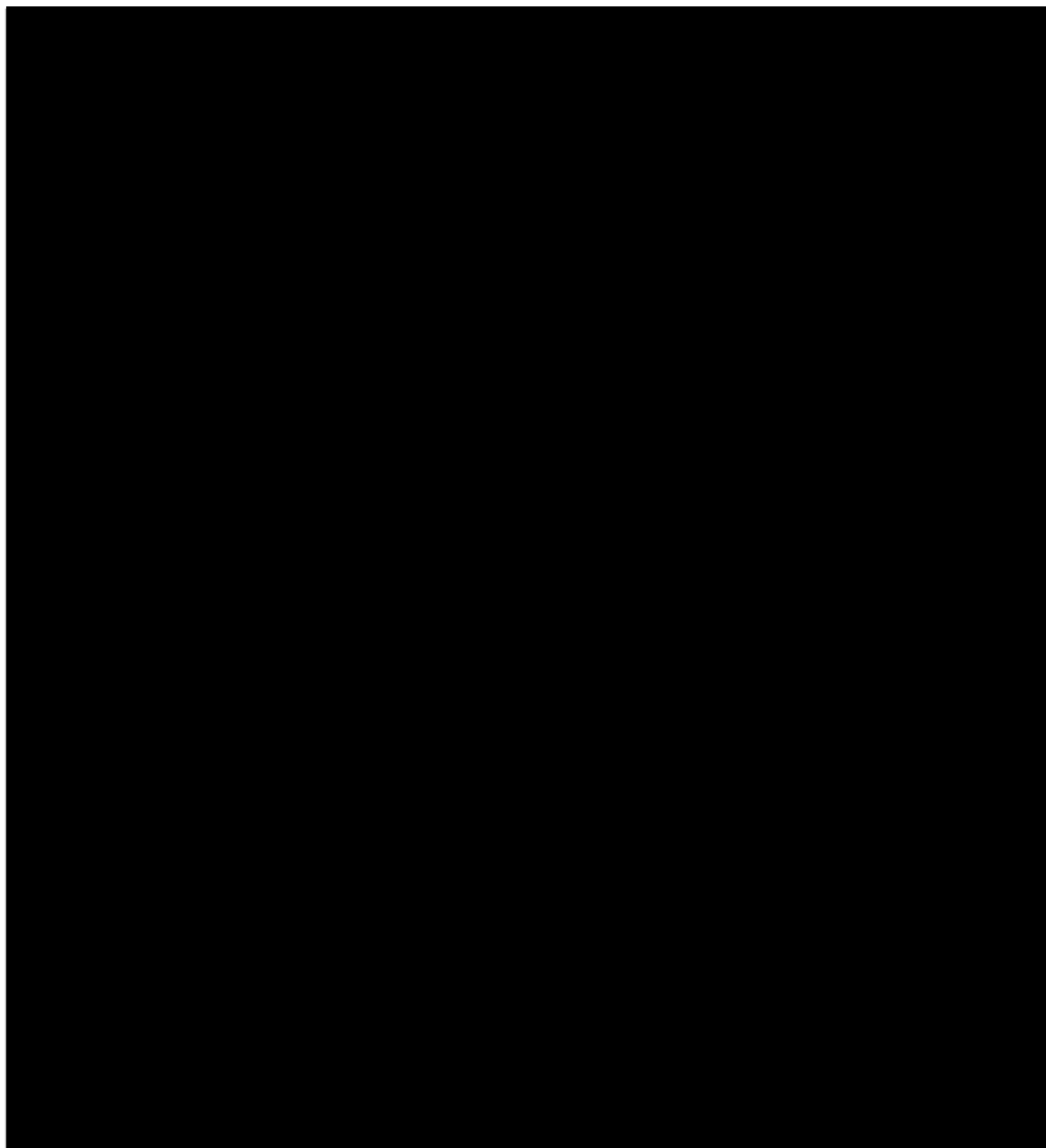


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012



The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

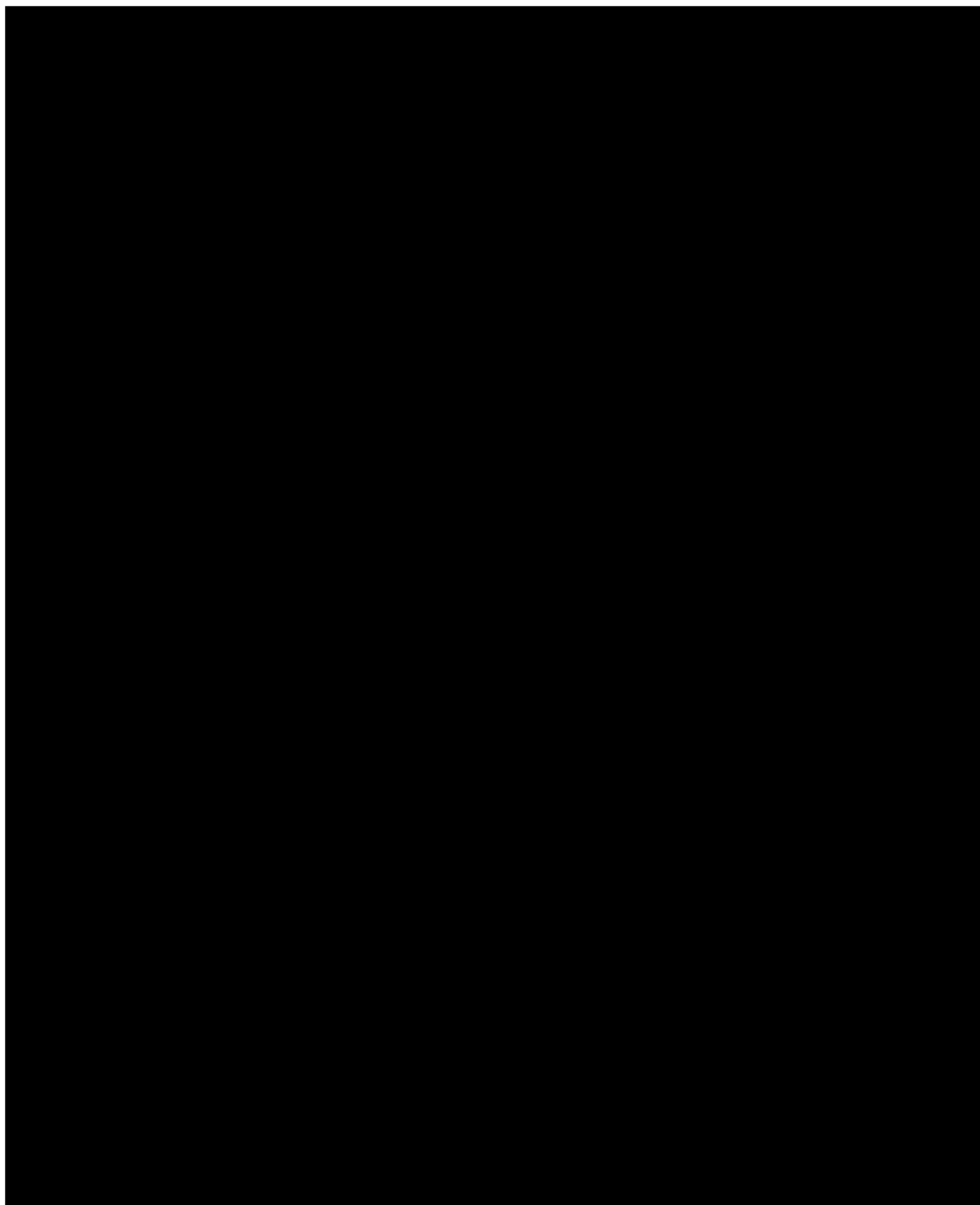


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

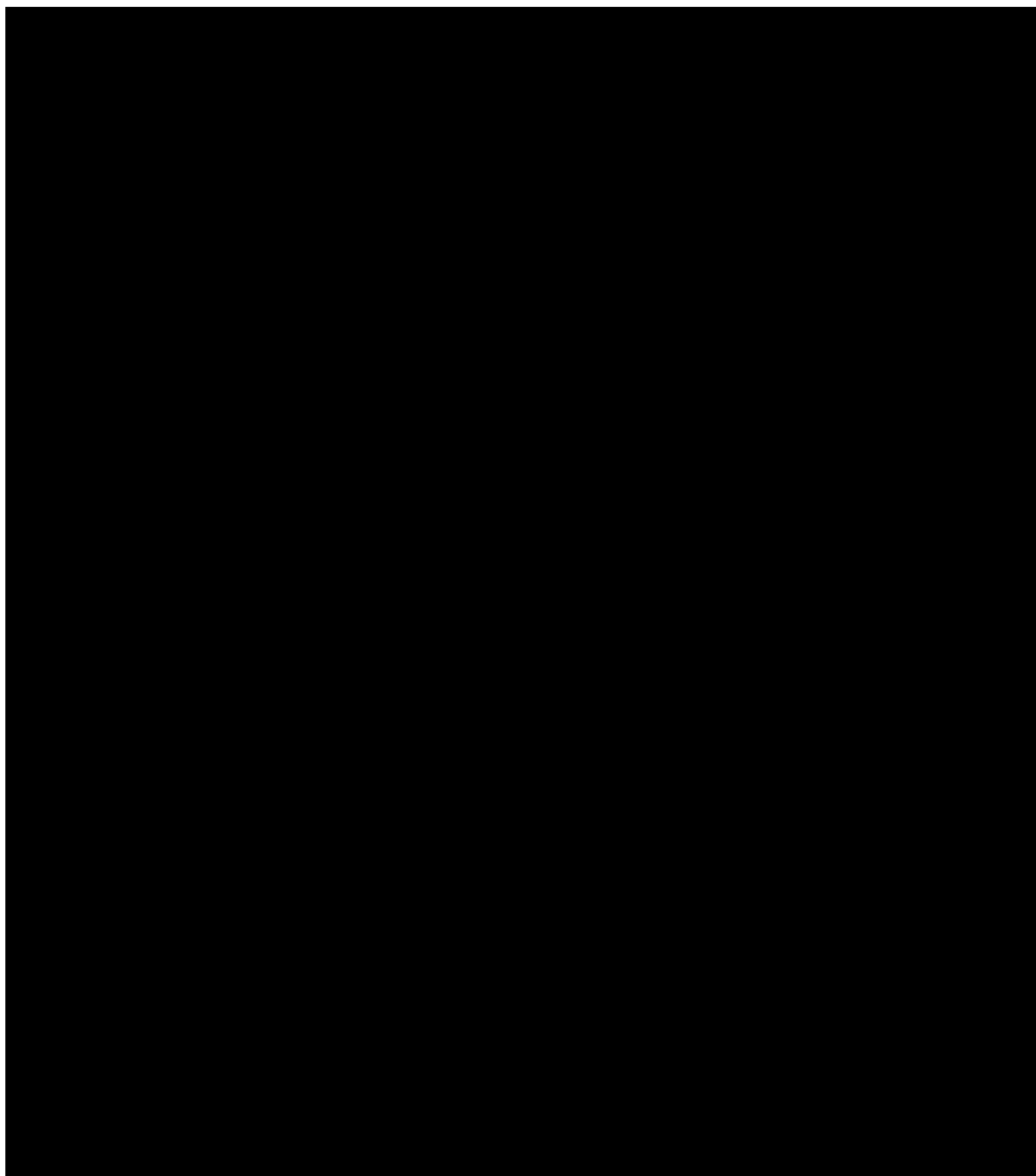


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012

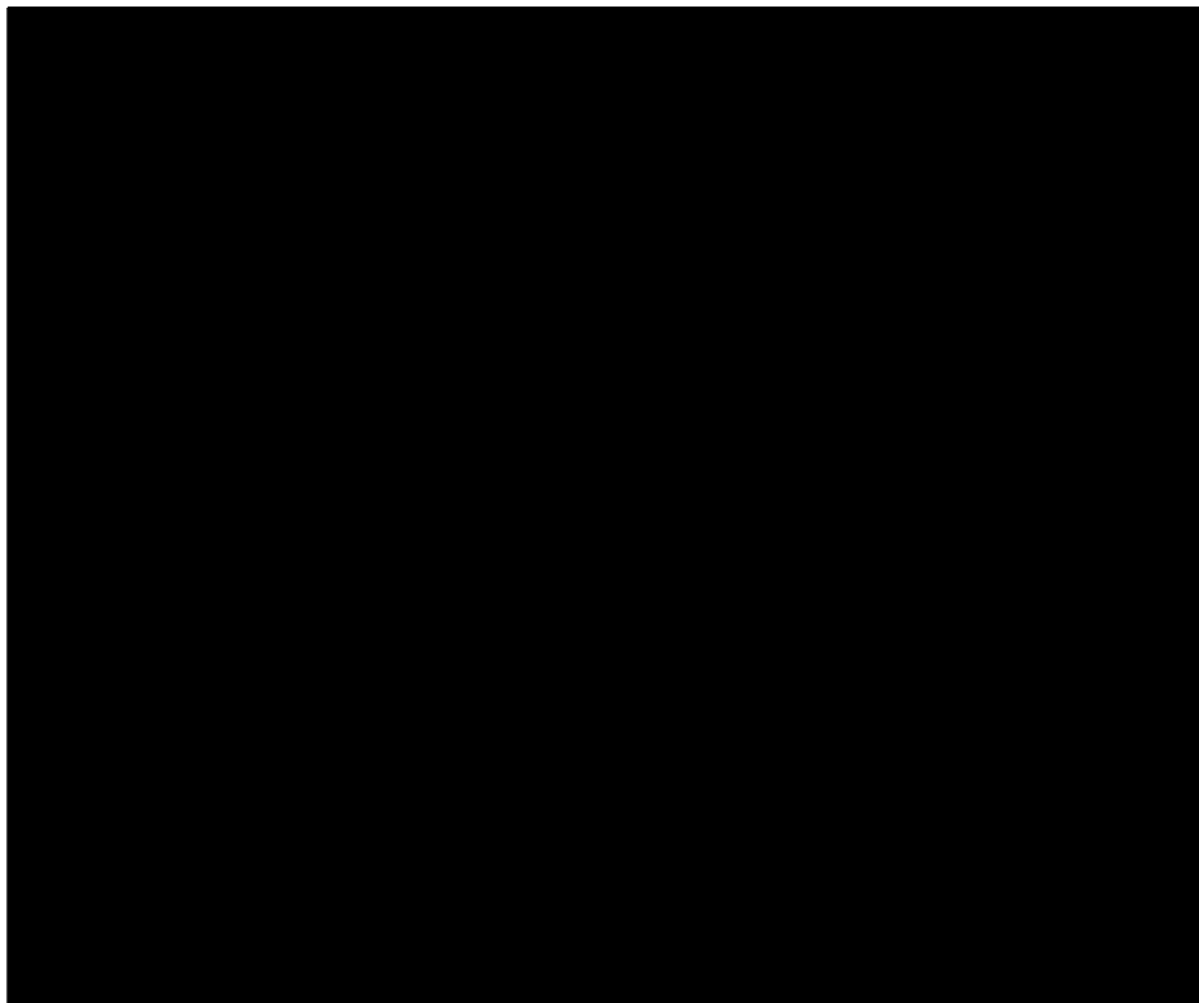


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NOTES TO FINANCIAL STATEMENTS

The Conneaut Telephone Company

December 31, 2012



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